Postal Regulatory Commission Submitted 10/25/2011 3:28:22 PM Filing ID: 77048 Accepted 10/25/2011

BEFORE THE POSTAL REGULATORY COMMISION WASHINGTON, D.C. 20268-0001

	
In the Matter of:	Docket No. A2011-81
Clarksville Post Office	
Clarksville, New York	
	

PETITIONERS' BRIEF (OCTOBER 25, 2011)

Preliminary Statement

On September 21, 2011, petitioners filed a petition to review the determination of the United States Postal Service ("USPS") to close the Clarksville New York Post Office (Docket number 1358213-12041). This brief is submitted pursuant to 39 CFR § 3001.115 in support of the petition.

Petitioners maintain that the determination of USPS to close the Clarksville Post Office is arbitrary, capricious and an abuse of discretion, and is not supported by substantial evidence in the record (39 U.S.C. § 404 (d) (5) (A) and (C)). In particular, petitioners maintain that the record demonstrates: 1) the USPS failed to meet its statutory obligations to consider the impacts of the closing of the post office on the Clarksville community and 2) the USPS' only basis for the closing of the post office is the alleged failure of the Clarksville Post Office to be self-sustaining. Even if it was true that the Clarksville Post Office is not self-sustaining, it is illegal for the USPS to close the post office solely for that reason.

Procedural History

The Postmaster for the Clarksville Post Office retired on March 31, 2010, and the post office has been operated by an OIC since that date. The USPS apparently relies upon the vacancy in the postmaster position as its basis to conduct an initial feasibility study, which ultimately led to the closure of the post office (see 39 CFR § 241.3 (a) (5)) (Administrative Record ("AR") Item 18, page 1, box 8). The initial feasibility study consisted of a review of the receipts and postal transactions for a two-week period in March 2011, followed by notification to the community of the prospective closure (AR Item 21, page 1). The USPS distributed questionnaires to customers of the post office on April 22, 2011 (AR Item 21, pages 2-3), and conducted a public meeting at the Clarksville Community Church on May 2, 2011 (AR Item 21, page 4). On May 17, 2011, the USPS published its proposal to close the post office (AR Item 33, pages 1-7). This proposal was posted with an invitation for additional comment from May 17 to July 18, 2011 (AR Item 32, page 1).

On August 19, 2011, the USPS issued its final determination to close the post office, by notice signed by Dean J. Granholm, the Vice Pres. of Delivery and Post Office Operations (AR Item 47, pages 1-8). This notice was posted in the Clarksville Post Office on August 23, 2011. Petitioners timely filed a petition to review this determination on September 21, 2011. In addition, the Albany County Sheriff has filed a notice to intervene, in support of the appeal from the closure of the post office.

Petitioners

The Town of New Scotland, six local businesses and civic organizations, as well as 31 individuals petitioners are joining in this appeal. Petitioners include 27 of the 214

entities that maintain post office boxes at the Clarksville post office. Petitioners represent a cross-section of the Clarksville community that will be adversely affected by the closure of the post office.

The Clarksville Community

Clarksville is a hamlet located in the southwestern corner of the Town of New Scotland, a suburban town of approximately 8500 people in Albany County in New York State. Although the surrounding area is predominately rural, Clarksville is a fairly urbanized area, with a network of streets, houses in close proximity to each other, and a number of small businesses. The ZIP code demographic report, included in the record indicates that the total population in 2010 was 307 people, and 119 households. These numbers are expected to rise to 311 and 121 by 2015 (AR Item 16, page 2).

The hamlet of Clarksville was established in the early 19th century, and was originally part of the Town of Bethlehem, within Albany County. The Clarksville Post Office was originally established in 1812. When the Town of New Scotland separated from the Town of Bethlehem in 1832, the Bethlehem post office became the Clarksville Post Office. The Clarksville post office has been in continuous operation since 1832.

Some of the rich history of Clarksville is set forth in filings made by the Clarksville Historical Society, one of the petitioners in this proceeding (AR Item 22, page 89-91, 94). Clarksville has had an active business community since the 1830s, including medical offices, legal offices, and occasional boarding houses and churches.¹

rich heritage of our community."

3

¹ The Historical Society submitted its May 2008 newsletter, describing Clarksville's 175th birthday celebration. The newsletter describes the preparations for a special cancellation stamp to commemorate the 175th anniversary of the post office, a celebration attended by more than 120 people, resolutions by Albany County and the New York State Senate, and congratulatory messages from then New York State Governor David Paterson and from President George W. Bush, "acknowledging the opportunity to take pride in the

Today, Clarksville continues to have an active business community. Although there are only 119 households, there are 214 postal boxes at the Clarksville Post Office, indicating that there are a significant number of boxes rented to entities other than individual households in Clarksville (AR Item 13, page 1). Indeed, there are a number of businesses, not-for-profit entities, and community groups that rely upon the Clarksville Post Office.

Within the last three years, two new businesses have been established on the main street of Clarksville, located within 200 yards of the post office: a new convenience store Qwix Mart, and a new restaurant, Jake Moon, self-described as a "destination eatery in the Helderbergs," owned and operated by Dan Smith, a petitioner in this proceeding who has international credentials as a chef. The Anam Duan - Franciscan Ecology Center, a not-for-profit youth agency relocated to Clarksville in 2010 and purchased a post office box at the Clarksville Post Office.

In addition to these new businesses, Clarksville is also the home to a variety of other businesses, and not-for-profit community organizations, including Joseph T.

Hogan Appliance and Electric Service, Master Seal of Albany, Matt's Sons Industrial, Helderberg Siding, Dunston Painting, Susan Dee Associates, Meadowbrook Farms, Canon Law Professionals, Clarke Heating and Cooling, the Law Offices of Peter Henner, J & S Auto, Superior Oil, Kevin Besther, the Onesquethaw Volunteer Fire Company, the Onesquethaw Union Cemetery Association, the Eastern Competitive Trail Ride Association, the Clarksville Historical Society, the Anam Duan-Franciscan Ecology Center, and the Clarksville Community Church.

Significantly, the Albany County Sheriff's Department, which has filed a notice of intervention in this proceeding, is presently planning to relocate its patrol headquarters, including the Albany County: Emergency Operations Center, E-911 Communications Center, Emergency Medical Services Office and Stop DWI Office to Clarksville. This will result in approximately 70 full-time and 70 part-time employees in the hamlet, including deputy sheriffs, command staff, emergency medical technicians, information technology and telecommunications personnel. In addition to the postal needs for the Sheriff's Department itself, this will result in a significant increase in the daytime working population of the hamlet of Clarksville, which will have a multiplier effect upon all local businesses, which will result in an increased need for postal services.

Failure to consider the impact of closing the Clarksville Post Office

The USPS, as discussed below, has a legal obligation to consider the effect of closing a post office upon the community served by the post office. The record that has been filed by the USPS in this proceeding demonstrates that the USPS failed to meet this critical obligation.

Petitioners maintain that the USPS did not consider any of the comments or additional information that it received during the public review process. The USPS prepared "form responses" to the comments that it received, did not acknowledge individual concerns, and did not revise its determination from the initial proposal to the final determination to reflect any new information.

The USPS plainly ignored the fact that Clarksville has an extensive business community, and simply disregarded the comments that were submitted by the population

of Clarksville, including a high percentage of the box holders in Clarksville, that the community would be drastically impacted by the closure of the post office.

a. Failure to identify businesses affected by the closing

The record includes a memorandum, sent by Nadine Tromblay, the Post Office Review Coordinator to the OIC/Postmaster on March 25, 2011 where she requests the "names and addresses of businesses religious institutions civic organizations and local government offices and schools "served by the post office" (AR Item 13, page 1). The list is to "include small, part-time and in-home businesses, as well as public institutions, such as schools, police departments, etc.; religious institutions and businesses physically located outside the community that use retail services on a routine basis...." The bottom of the page has a comment section that identifies only eight (8) entities: "Super Oil; Master Seal of Albany; matt's sons industrial; Heldebrugh siding; Clarksville elemntry school; Dunsten Painting; the Onesquethan fire co., Clarksville Community churc" (sic).

The USPS should have been aware that there are many more additional businesses and civic organizations that use the Clarksville Post Office, including post office box holders. Eleven (11) of these organizations submitted formal comments and received response letters from the USPS, or signed the Community Meeting Roster, as part of the review process.² In addition, three (3) other businesses not identified by the USPS are located on the main street in Clarksville, just down the road from the post office: Jake Moon, Quix Mart and J&S Auto. Nevertheless, the final determination does not even

_

² Susan Dee Associates (AR Item 22, pages 21-22), Kevin Besther (AR Item 22, pages 23-24), Adam Duan – Franciscan Ecology Center (AR Item 22, pages 33-34), Clarksville Historical Society (AR Item 22, pages 85-94), Meadow Brook Farms (AR Item 22, pages 97-100), Peter Henner Law Offices (AR Item 22, pages 159-161), Clarke Heating and Cooling (AR Item 22, pages 201-202), Joseph T. Hogan Appliance and Electric Service (AR Item 22, pages 209-210), Onesquethaw Union Cemetery Association (AR Item 22, page 211), J&S Automotive (AR Item 24, page 1), Canon Law Professionals (AR Item 38, page 12)

acknowledge the existence of these organizations; therefore, the record can not and does not consider the significant impact on the business community that will result from the closing of the post office.

b. Failure to consider loss of community identity

A number of comments addressed the issue of the possible loss of community identity as a result of the loss of the Clarksville Post Office. The importance of the name of a community, such as Clarksville, in a post office is specifically recognized by the USPS in its regulations, cf. 39 CFR § 241.3 (b). Nevertheless, in responding to the concern for loss of community identity, the final determination simply stated "a community's identity derives from the interest and vitality of its residents and the use of its name. The Postal Service is helping to preserve community identity by continuing the use of the Feura Bush post office name and ZIP code..." (AR Item 47, page 6) (emphasis added). It should also be noted that the final determination also stated that "customers who retain their P.O. Box... WILL NOT be required to change their address" (emphasis supplied) (AR Item 47, page 5).

However, as a practical matter, customers will not be able to retain their post office box in Clarksville, because the Clarksville Post Office will be closed. Customers will instead be required to obtain a new post office box, either in Feura Bush, or, in some cases in another post office is that may be more convenient for them, such as Westerlo or Voorheesville, and that will require a new address, which will not be "Clarksville." Petitioner Joseph Hogan commented "If I want a Feura Bush address, I will move there! Clarksville has had a post office for almost 200 years" (AR Item 22, page 20).

c. Failure to consider impact on community growth

The USPS also responded to the concern about growth in the community by stating "the growth of the community does not depend on the location of the post office. Based on information obtained by the Postal Service, it was determined that there has been minimal growth in the area in recent years" (AR Item 47, page 7).

These two statements are unsupported in the record and, in any event, are plainly false. First, it is self-evident that there is a relationship between the existence of a post office and the ability of residents and businesses to have postal services, and their willingness and ability to engage in business activities that will promote growth. The relationship between having a local post office and community well-being was considered at length in "A Framework for Considering the Social Value of Postal Services," prepared for the Postal Regulatory Commission by the Urban Institute, released on February 2, 2010.

For example, the law office of Peter Henner relies upon postal services in the area, and would simply not choose to locate in a community that did not have immediate access to postal services. The Ecology Center recently relocated to Clarksville, with the specific intention of relying upon an existing post office (AR Item 22, page 34). The importance of having an existing post office was also noted by one individual commenter: "Please! Don't change/close my post office now! It's convenience is one of the reasons I live where I do" (AR Item 22, page 37). See also comments from another local business, Susan Dee Associates:

Susan Dee Associates has mode a commitment to purchase all supplies from our local PO. Changing our address would be a hardship to those of us who have businesses in this community. The local PO provided a much needed service to

our small community and is a meeting place for many citizens as they go about their daily lives. Removing this PO will be just another blow to small communities trying to survive and maintain identities + a sense of community. Please do not leave us w/o a local P.O. (AR Item 22, page 22).

The USPS included a household survey that indicates a small growth in the number of households projected between 2010 and 2015 (AR Item 16, page 2). If there is other information that has been obtained by the Postal Service, it is not in the record and there is no evidence that it was actually considered. In any event, two new businesses have been established in Clarksville in recent years, and, with the anticipated relocation of the Sheriff's Department, it appears that there is likely to be significant growth in the area in Clarksville area in the coming years.

As one commenter eloquently noted:

It is a tragedy that such a vital service in our community is being considered for elimination. Clarksville is the Capital District's conduit to all the greatness of our rural neighborhoods and is one of the most coveted areas for residential business and tourism growth. The local post office has long been an invaluable connection to the broader region. Business people, community members and even transients rely on the services it provides, and would be catastrophically affected by its closure. Essentially, the engine of correspondence, the functioning of financial transactions, and the direct link of the communicative lifesblood of our village would be destroyed. A burgeoning, prosperous hamlet would suffer an inexorable blow. Hopefully, such a tragic and fundamentally damaging plan will be reconsidered. (AR Item number 22, page number 28).

Significantly, the USPS did not respond to these comments in the record.

d. Failure to consider particular impacts

There were other impacts that were specifically identified in the public comments that were received by the USPS during the review process. The loss of a continuous

address will be a major problem, especially for businesses. Businesses will incur significant expenses to print new stationery with a new address. An officer of the local fire company, the Onesquethaw Volunteer Fire Company, noted that it would need to formally amend its "charter" [actually its Certificate of Incorporation] because of the new address (AR Item 22, page 146). In addition, businesses, civic organizations and individuals will lose the ability to send out bulky materials, mass mailings and certified mail from a local facility.

Rural route delivery is not an adequate alternative especially for businesses that rely upon a secure place to receive mail or for individuals who may receive perishable materials, specifically including medication, through the mail (AR Item 22, pages 29, 54, 64). The USPS response to these concerns is both cavalier and unrealistic. A "locked" mailbox is not secure if it is located on a lonely and deserted country road (AR Item 47, page 3). As one commenter noted, "picking up large packages 5 miles is an extreme hardship and inconvenience. Having a mailbox on a road used as a main highway is disaster in winter time" (AR Item 22, page 58). Furthermore, in the northeast United States, which is subject to temperature extremes including hot summer days, extreme humidity, and bitter cold winters, it is not safe to leave perishable items in an outdoor mailbox for any period of time. Although specific concern was raised in comments to the USPS, the final determination did not respond to this concern.

e. Failure to consider the economic cost to the community

If the Clarksville Post Office closes, the 214 existing box holders will need to make alternative arrangements for mail delivery. If box holders rent boxes at the nearest available post office (in most cases, Feura Bush, 5 miles away), there will be no

significant costs to the USPS, but very significant impacts upon the community; both economic and non-economic.

The most significant impact upon the community, which was completely ignored by the USPS, was the economic and environmental impact upon the community that will result from the need to travel, on average, 5 miles each way to the Feura Bush Post Office for box holders who can not accept rural delivery.

As part of its economic analysis, the USPS states that 178 boxes will be added to the rural route, presumably indicating that 178 of the 214 box holders will choose rural delivery (AR Item 17, page 2). It should be noted that the USPS provides no explanation of how it arrived at this figure. If this estimate is low, then additional economic costs will be incurred by the USPS as a result of additional individuals choosing rural delivery. On the other hand, if the estimate is high because current box holders choose to get boxes at another facility rather than accept rural delivery, then the community will incur additional economic costs because more current box holders will be traveling to the replacement facility for mail delivery and other services.

Businesses, community organizations, and individuals who require the security of a post office box, will definitely not be able to accept rural delivery as an alternative. In addition, many individuals, based upon comments that were submitted, will need to continue to maintain a post office box for reasons of security and to ensure that packages are delivered to a safe indoor location.

The Petition assumed that 100 of the existing 214 box holders will require a post office box in Feura Bush (see ¶ 62). This would mean that there will be an additional 10 miles per day of travel, multiplied by 100 box holders, or an additional 1000 miles of

driving per day. Based upon 250 days per year, this amounts to 250,000 miles per year driven by members of the community. This is a very significant economic impact, resulting in an approximate cost of \$137,500 per year in driving expenses (or \$1375 per box holder). This is a major impact upon the economy and the additional fuel usage also significantly affects the environment. There are also attendant costs to the community associated with this additional mileage driven; there is likely to be at least one accident per year associated with the additional miles driven, resulting in a variety of impacts, including property damage, possible medical costs, involvement of emergency personnel, and even possible loss of life.

Even if the USPS estimate is used, these numbers still indicate a substantial economic impact. If 178 of the 214 box holders accept rural delivery, the remaining 36 box holders will presumably obtain a post office box somewhere other than Clarksville. This means that the estimated economic cost to the community will be \$1375/box holder multiplied by 36 box holders, equaling \$49,500.

f. Disregard of community opposition to closing

The USPS initially distributed questionnaires to box holders and other postal patrons between April 22 and the meeting that it conducted on May 2, 2011. 97 questionnaires were returned. Although the USPS characterized 11 of these questionnaires as favorable to the "proposed alternate service" and 33 as expressing no opinion, this analysis is simply incorrect. A closer analysis indicates that the responses were almost unanimous in opposing the closure (see petition ¶¶ 64 - 68). Many of the comments poignantly plead for the retention of the post office.

Similarly, the additional 17 questionnaires that were returned between May 17 and July 18, showed a strong community opposition to the closure. The USPS characterized 12 of those questionnaires as including unfavorable comments and five as expressing no opinion. Again, the USPS simply understates the community opposition to the closing.

The USPS also conducted a meeting on May 2, 2011 to answer questions about the process and possible closing of the post office. 63 individuals signed in as attending the meeting. All of the individuals who spoke opposed the closing of the post office.

g. Understatement of services at Clarksville

It should be noted that the assumption that the window services at the Clarksville post office are expendable is based upon a non-representative survey that was conducted between March 5 and March 18, 2011. This two-week period, in late winter, is unrepresentative of the yearly average. Obviously, the volume of mail is highest in late November and December with the Christmas holidays. The USPS does not provide any justification for selecting these particular two weeks, to show that it is a representative sample of the year.

Even according to the window transaction survey for this period, there are 30.8 average daily transactions. According to the USPS formula, this is equivalent to an average daily retail workload of 32.4 minutes. However, this understates the amount of time spent on window transactions. Certain transactions, such as matters involving certified or insured mail and or the category designated as "miscellaneous services" customarily take well more than the 1.792 or 1.787 "time factors" that are estimated. The basis for those time factors used by the USPS is not explained in the record.

Failure to demonstrate economic savings

The USPS estimates that it will realize an annual savings of \$26,521 as a result of the closure of the Clarksville Post Office. This estimate is based upon the claim that the USPS will save salary and fringe benefits totaling \$48,569 and the lease cost of \$10,382. The total cost avoided will therefore be \$58,951, against the estimated cost of the replacement service of \$32,430. However, the analysis of the USPS is incomplete and suspect.

The USPS also fails to include the loss of revenue from the rental of post office boxes that are rented. There is nothing in the record indicating how many boxes of each size: small boxes at \$46 per box, medium boxes at \$70 per box and large boxes at \$110 per box are currently rented. Even assuming that only small boxes are rented, this is annual revenue of at least $(214 \times 46 =) \$9,844$, which will be lost as a result of the closing, and should be subtracted from the alleged \$26,521 savings.

a. Costs avoided by closure of Clarksville

The services that are rendered to the public at the Clarksville Post Office would otherwise have to be rendered at some other location by another postal employee, and the wages associated with that employee's time at that other location should properly have been considered. Therefore, not all of the wages and fringe benefits that are allocated to the closing of the post office should properly have been included in the total amount of cost savings.

Furthermore, there are additional services rendered at the Clarksville Post Office that will need to be replaced. For example, the OIC or Postmaster is responsible for sorting the incoming mail and for other incidental services associated with the collection

of the mail to be dispatched. Again, these services will need to be duplicated in some other fashion; either by some presorting of mail prior to its delivery to a rural carrier, and by the collecting of mail for dispatch. In short, there are services rendered by the OIC that will still need to be performed. The costs of these services need to be included.

The USPS also has an obligation to consider the impact of the closing on employees. This analysis, if performed, might indicate that the alleged savings of salary and fringe benefits are illusionary. The final determination simply states "the non career postmaster relief (PMR) <u>may</u> be separated from the postal service" (AR Item 47, page 7) (emphasis added). Since we do not know whether this employee, or any employee, may be separated, and the actual savings realized by such separation, we can not even definitely say that salary and fringe benefits will be saved.

b. Cost of replacement services

As noted above, the USPS has estimated that 178 of the existing 214 box holders will choose rural delivery, and the cost of replacement service is estimated in an analysis worksheet (AR Item 17). The calculations on this document are not explained, and it contains a variety of numbers that do not make sense. The form contains two estimated costs: one for "Highway Contract Route" (AR Item 17, page 1) and one for "Rural Route Carrier" (AR Item 17, page 2). Apparently, the analysis is based on the Rural Route Carrier figures.

The analysis worksheet states that no additional miles will be added to the route.

This is, on the face of it, absurd. If a postal customer no longer uses a post-box, and is now served by rural delivery to his or her location, the carrier must be driving additional

miles that were not previously driven. This will obviously result in additional miles driven.

It is not clear how the mileage from line 2 is added in to the first total, which is described as the product of the number of additional boxes multiplied by an unexplained "volume factor" of 3.27 to obtain a subtotal of 582.06. A second subtotal is the product of 178 (the number of "Regular L Route Boxes") multiplied by 2.00 minutes to obtain 356 minutes. Line 4 also refers to the number of "additional daily miles to added in the rural route" and again lists the amount as zero. Again common sense indicates that additional miles were driven, and this will result in additional costs.

The USPS calculates that the addition of 178 boxes will result in an additional 938.06 (the sum of 582.06 + 356) minutes per week, which at a "rural cost per hour" of \$39.89, is equivalent to \$32,429.98. However, if additional allowances were made for the miles that should have been added, this number would be significantly higher.

In addition to the cost for additional time, additional costs will be incurred based upon the cost per mile to operate a vehicle. Since mail vehicles obviously stop to put mail in mailboxes, the true cost of operating such vehicles is not measured only by the mileage charge, but also should include the time spent idling while placing the mail in the boxes. The formulas, as estimated by the USPS in calculating replacement costs, do not seem to make any allowances for mileage, idling time or vehicle use in general. Instead, the USPS is apparently assuming that the only additional costs are the labor costs.

It is the USPS' burden to demonstrate that there are economic savings to be achieved by the closure of the Clarksville Post Office. The USPS has failed to meet this burden. Indeed, it is possible that the closure of the Clarksville Post Office will result in

negative savings, i.e. increased costs. The failure to include significant revenue from box rentals, the possibility that no wages or fringe benefits may actually be saved, and the underestimation of the cost replacement service indicated that the cost of the economic savings are likely to be far less than the \$26,521 claimed, if there are any savings to be realized at all.

Failure to identify other factors

The USPS has not offered any reason for the closure of the Clarksville Post Office other than the alleged cost savings. Indeed, the Postal Service states that it has identified no other factors for consideration.

Argument

The USPS has failed to consider the statutory factors listed in § 404 (d) (2)

39 U.S.C. § 404 (d) (2) requires the USPS to consider five factors including: 1) the effect of such closing or consolidation on the community served by such post office, and 3) whether such closing or consolidation is consistent with the policy of the government, stated in 39 U.S.C. § 101 (b), "the Postal Service shall provide a maximum degree of effective and regular postal services to rural areas communities and small towns where post offices are not self-sustaining, and for the economic savings to the Postal Service resulting from such closing or consolidation." The USPS has failed to meet its obligation with respect to these two factors. In addition, even though the USPS has considered the fourth factor, economic savings, it has done so in an arbitrary and capricious manner, and the alleged economic savings are not sufficient to outweigh the record evidence indicating that the first and third factors strongly militate against the closing of the post office.

a. The failure to consider the effect of the closing upon the community

As stated above, there is strong evidence in the record that the closing of the Clarksville Post Office will have a serious adverse impact upon the community.

Businesses will be badly hurt and may need to close or relocate, individuals depending on the security of post office boxes for delivery of medication will suffer, and the entire community will incur significant travel expense, with concomitant impacts on energy use, the environment, and public safety. These are issues which the USPS has simply failed to consider, in derogation of its legal responsibilities under § 404 (d) (2) (A) (1).

The failures of the USPS to consider the impact of the closure of the Clarksville Post Office go beyond the mere economic impacts; the USPS also failed to consider the well-documented significant social value that exists from having a local post office. These benefits were analyzed in considerable detail in "A Framework for Considering the Social Value of Postal Services," prepared for the Postal Regulatory Commission by the Urban Institute, released on February 2, 2010. This report confirms that many of the concerns raised by individual commenters in this proceeding are common to post offices around the country.

The report categorizes eight types of social benefits: 1) consumer, 2) business, 3) safety and security, 4) environmental, 5) delivery of other governmental services, 6) information exchange, 7) social linkage, and 8) civic pride and patriotism. Under consumer benefits, the report discusses the importance of the mails in fulfilling drug prescriptions, noting that there were 238 million prescriptions filled by mail order in 2008, or 6.7% of all prescriptions filled (page 5). The report discusses that the need to fill such prescriptions by mail, as well as other postal services, are of particular value to

elderly or disabled residents who might be adversely affected in the event of a post office closure. The findings of the report are consistent with the comments in the record in this proceeding, by senior citizens who are concerned that they will no longer be able to fill prescriptions by mail and will not be able to travel to the Feura Bush Post Office; a ten (10) mile round trip on sometimes difficult rural roads.

The report also discusses the business benefits, and notes the importance of a post office for small home-based businesses, particularly noting "home-based and other small businesses use post office boxes for business mailing addresses because mail arrives at the same time each day and is stored securely" (page 8). Once again, the findings of the report are consistent with the comments received by business box holders at the Clarksville Post Office; such box holders are dependent upon a local post office.

The report also discusses the value of local post offices as a means of attracting people to a downtown area and the social importance of the post office as a place for social contact (pages 11-12, 18-19). Again, this supports the statements of numerous residents in the proceeding, stating that they value the post office for the social contact.

Post offices have significant value, not only economically, but also socially.

Here, the USPS simply did not consider the impacts of the closure of the Clarksville Post

Office. To have fairly considered these impacts, the USPS had to consider the broader social impacts as well as the mere economic issues; instead, it did not consider either.

Petitioners respectfully maintain that, had the impacts been fairly considered, the USPS would not have reached the conclusion that it did. The conclusion of the USPS to close the post office is not supported by substantial evidence in the record, because the

record evidence indicates that adverse impacts will occur and, in any event, the decision is arbitrary and capricious because of the failure to even consider the relevant evidence.

b. Governmental policy in support of post offices in rural areas and small towns

39 U.S.C. § 101 (b) states "the Postal Service shall provide a maximum degree of effective and regular postal services to rural areas, communities, and small towns where post offices are not self-sustaining. No small post office shall be closed solely for operating at a deficit, it being the specific intent of the Congress that effective Postal Service is to be ensured to residents of both urban and rural communities."

The Clarksville community is an economically active area, which is home to more than 300 individuals who live in close proximity to the post office. There are 214 box holders, including a significant number of businesses and civic organizations who rely upon the post office. The clear policy and legislative intention of the Congress of the United States is to ensure that such communities continue to receive effective Postal Services, even if they cannot be delivered on an economical basis. This intention is also specifically referenced in § 404 (d) (2) (A) (iii) which requires the USPS to consider whether a proposed closing is consistent with the policy of the government set forth set forth in § 101 (b).

One commenter noted the positive role played by the post office in the community. An example of how the Congressional intention to preserve local post office is applied in practice: "I like that our post office staff has been present at community events. This is not a business; this democracy. Democracy and democratic government services…like the post office… are more expensive than hyper-efficient corporate

business operations. The post office needs to maintain a triple bottom line, not a single

line!" (AR Item 22, page 35).

In other cases, the USPS has attempted to avoid the prohibition against closing

post offices that are allegedly not "self-sustaining" by arguing that a purely economic

determination includes other factors. For example, the USPS has argued that minimal

workload, declining office revenue, a postmaster vacancy and the alleged availability of

other delivery and retail options are factors separate and apart from the operating deficit

of a post office. Petitioners respectfully maintain that this is a false distinction; a post

office that, like Clarksville, is allegedly operating at a deficit, necessarily will have a

declining office revenue and lower workload. To close a post office for such reasons is

to close a post office solely because it is not self-sustaining, and is expressly prohibited

by 39 USC § 101 (b) and § 404 (d) (4).

Conclusion

The determination to close the Clarksville post office because of the alleged

economic savings without any other justification is arbitrary and capricious, and

completely unsupported by any evidence in the record. This determination should be

reversed by the Postal Regulatory Commission.

Dated: October 25, 2011

Clarksville, NY

Respectfully submitted,

Peter Henner

P.O. Box 326

Clarksville, NY 12041

Tel.: (518) 768-8232

Fax: (518) 768-8232

e-mail: peter@peterhenner.com

21